



# MESOAMERICAN BARRIER REEF SYSTEMS PROJECT (MBRS)



## PROGRESS REPORT No. 1



**Reporting Period: March 1 – December 31, 2001**  
*(Revised for Web Publishing)*



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### List of Acronyms

AIMS	Australian Institute of Marine Science
AWP	Annual Work Plan
BEMAMCCOR	Belize-Mexico Alliance for the Management of Coastal Resources
CCAD	<i>Comisión Centroamericana de Ambiente y Desarrollo</i>
CG	Consultative Group
FMS	Financial Management System
GEF	Global Environmental Facility
LACI	Loan Administrative Change Initiative
MBCP	Mesoamerican Biological Corridors Project
MBRS	Mesoamerican Barrier Reef Systems Project
MOU	Memorandum of Understanding
MPA	Marine Protected Area
NBRCs	National Barrier Reef Committees
NCORE	National Center for Coral Reef Research
PAD	Project Appraisal Document
PCD	Project Concept Document
PCU	Project Coordinating Unit
PDF	Project Development Fund
PMR	Project Management Report
<i>PROARCA</i>	<i>Proyecto Ambiental Regional para Centroamerica</i>
PY	Project Year
REIS	Regional Environmental Information System
RSC	Regional Steering Committee
<i>SICA</i>	<i>Sistema para la Integración Centroamericana</i>
SMP	Synoptic Monitoring Program
TORs	Terms of Reference
TRCA	Threat and Root Cause Analysis
TRIGOH	Tri-national Alliance of the Gulf of Honduras
TWGs	Technical Working Groups
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
USAID	United States Agency for International Development
WWF-CA	World Wildlife Fund for Nature Central America Office

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## 1. Executive Summary

The technical preparation of the MBRS Project concluded with the approval by the Board of the World Bank in May 2001. A series of legal and administrative requirements had to be addressed before the Project could be declared 'effective' by the World Bank. A key requirement was the establishment of the Project Coordinating Unit and the contracting of the Regional Coordinator and Administrative staff. A World Bank certified Financial Management System had to be installed and a Project Work Plan had to be developed prior to the disbursement of any Project funds. In addition, the National Barrier Reef Committees had to be legally established and Legal Opinions on the GEF Trust Fund Agreement were necessary before and after the signing of the said Agreement on October 18<sup>th</sup>, 2001. Having complied with all effectiveness conditions, the Project was finally declared 'effective' on November 30, 2001.

With the full complement of staff on board, and the Project finally being able to operate on its own budget, efforts were immediately focused at developing Terms of Reference for the eleven technical activities programmed in the Annual Work Plan for Project Year 1. The procurement process has initiated and contracts should be granted shortly. The products of these activities will include the establishment of a Baseline Methodology for the Monitoring of MPAs, Training in MPA Planning and Management, the development of a Synoptic Monitoring Manual for the MBRS Region, the design and implementation of a Regional Data Communications Network, the design and implementation of a Regional Environmental Information System, an Assessment of Spawning Aggregations of key fish species, the implementation of a Regional Tourism Forum, the development of an Environmental Certification Program, the development of the Project Logo, and the development and implementation of an Environmental Campaign Strategy for the MBRS Region.

The late start of the Project will imminently result in consequences that will demand a modified approach to Project Management. Firstly, the approved Work Plan and budget are for the period July 2001-June 2002, but with Project being declared effective until November 30, 2001 with the first disbursement being received until December 20<sup>th</sup>, 2001, the implementation of the Work Plan is essentially delayed for six months. This will require adjustments in the Project Implementation Schedule and budget. Secondly, some activities identified in the MBRS Project have been adopted and are being

implemented by other institutions and organizations in the region. While this fact confirms the importance of the MBRS region as a conservation hot-spot, it also creates significant implementation challenges for the MBRS Project.

During the remainder of Project Year 1, in addition to overseeing the implementation of the technical activities described above, substantial efforts will be placed on the avoidance of duplication and in optimizing the use of financial resources that are available to the region. This will be done through an assertive campaign to establish partnerships and alliances with other active players in the region, to the extent of obtaining commitments for joint investments. This adaptive management approach will be a key point of discussion at the Regional Steering Committee meetings to be held in March and June of 2002.

## 2.0. Project Preparation to Project Effectiveness

### 2.1. Project Preparation

In response to a request from the *Comisión Centroamericana de Ambiente y Desarrollo* (CCAD), a Project Concept Document (PCD) was developed in 1997 by the World Bank using PDF Block A funds provided by the Global Environmental Facility (GEF). This was followed by the contracting of the Regional Coordinator for Project Preparation in April 1999 and a multidisciplinary team of professionals using PDF Block B funds provided by the GEF, and other Trust Funds identified by the World Bank. In an effort to further develop the Project concept, a series of stakeholder consultations were held in Belize, Guatemala, Honduras and Mexico, including three Regional Project Preparation Workshops and numerous National Workshops in the four countries. Proceedings from the workshops were complemented by several key Technical Reports, including a Threat and Root Cause Analysis (TRCA), Guidelines for Environmental Monitoring, Socio-economic Assessment, Institutional Analysis, among others.

The wealth of information provided by these initiatives were later used to develop the Draft Project Appraisal Document (PAD) with key inputs by staff of the World Bank, the FAO Investment Center in Rome, the Regional Coordinator for Project Preparation, and the multidisciplinary team of professionals. A visit to the four countries was conducted in March 2000 with the specific purpose of securing counterpart contribution for the Project. Having secured the necessary counterpart contribution, the Draft PAD was then reviewed and endorsed by the countries in a Regional Meeting held in Tulum, Mexico in April 2000. Suggestions from this Regional Meeting were incorporated into the PAD and this was later reviewed and endorsed for a second time in the Project Appraisal Mission held in Belize City in December 2000. Project Negotiations between the World Bank, CCAD and the four countries were held in Washington in January 2001, and the Final PAD received endorsement by the GEF in April 2001. Board approval by the World Bank was granted in May 2001.

## 2.2. Meeting Project Effectiveness Conditions

Prior to the approval by the Board of the World Bank and being optimistic of such approval, efforts focused at meeting the effectiveness conditions of the Project were initiated. The establishment of a PCU was identified as a key necessity in the day-to-day execution of Project activities. It was determined that as a minimum, the PCU must be established and the Regional Project Coordinator, the Accountant, the Procurement Specialist, and the Natural Resources Management Specialist (NRM) must be hired before the Project can be declared effective.

In addition to the personnel needs described above, a series of other legal and administrative requirements were identified before effectiveness could be declared. The need to legally establish the National Barrier Reef Committees (NBRC) and a Legal Opinion on the Draft GEF Trust Fund Agreement from each of the four countries were given priority in meeting effectiveness conditions. A key condition for the declaration of effectiveness was the need for a Financial Management System (FMS), certified by the World Bank, to be installed and operational before any disbursement of Project funds can be made. The FMS must be able to produce Project Management Reports (PMRs) acceptable to the World Bank, in which Financial Statements, Procurement Projections and Project Monitoring Indicators are clearly presented. A team of consultants was hired by the World Bank to develop the FMS for the Project according to World Bank standards. This activity required the inputs of the Project's Accountant/Finance Director and Procurement Specialist, in addition to continuous oversight by the Regional Coordinator. As Project Preparation continued, the team was presented with additional requirements in order to meet Project Effectiveness. The Technical Launch and Official Launch of the Project were identified as pre-effectiveness activities and the need for Project funds to be disbursed against an approved Annual Work Plan (AWP), Budget and Procurement Plan also became evident.

Meeting all the conditions described above demanded the input of a core team of persons and warranted the immediate contracting of Project staff. The Regional Coordinator for Project Implementation, the Accountant/Finance Director and the Procurement Specialist were hired in March 2001. The Sociologist was hired in April 2001, the Administrative Assistant, the Environmental Monitoring Specialist, the

Information Systems Specialist, and the Office Assistant/Driver were hired in May 2001. The selection and contracting of the Natural Resources Management Specialist required three rounds of interviews and this person was not hired until July 2001. The Technical Launch and the Official Launch were both held in Belize in June 2001.

Unavoidable delays in receiving the legal documentation for the NBRCs and numerous problems in establishing the FMS with certifiable PMRs resulted in the GEF Trust Fund Agreement being signed until October 18, 2001 in Washington, D.C. After the signing, the Agreement had to be ratified by the Attorney General's Office in each of the four countries, presenting a major challenge for the PCU, CCAD, the countries and the World Bank. After intensive lobbying and teamwork, ratifications were all received relatively quickly and the World Bank declared the Project 'effective' on November 30, 2001. The Government of Belize provided office space for the PCU in November 2001 and the Project is occupying the said space since November 17, 2001.



### **3.0. Project Annual Work Plan for PY1**

Consistent with the need for an AWP identified above, and having the full complement of staff on board, the PCU quickly embarked on the preparation of the Draft AWP for Project Year 1 (PY1), corresponding to the period July 2001 – June 2002. Activities for PY1 were developed based on the information in the PAD and were presented in a logical sequence, clearly identifying outputs, performance indicators, assumptions, counterpart contributions, budget and integration among Project components.

The Draft AWP produced by the PCU was presented at the TWG Meetings held in Tegucigalpa, Honduras from August 20-21, 2001. Members of the six TWGs deliberated for two days, placing particular emphasis on the feasibility of Project activities and the methodologies for implementing the said activities. Recommendations of the TWGs were incorporated into the Draft AWP and the revised version was presented to the Regional Steering Committee (RSC) for its review and approval.

The first Ordinary Session of the RSC was held on August 22, 2001 in Tegucigalpa, Honduras and the AWP for PY1 were approved as presented in the said session. A special effort was made to explain the unusual existence of six quarters in the PY1 as opposed to four. The additional two quarters in the budget estimates of the AWP for PY1 refer to activities and expenses of the PCU for the period March to June 2001. More details on this issue are presented in Section 4.5.

## 4.0. Implementation of Project Components

### 4.1. Component I. Marine Protected Areas

#### Component 1. Marine Protected Areas: Budget Analysis

Budget Approved for Period July 2001 – June 2002: US\$142,725.00

Budget Executed at December 31, 2001: US\$27,129.55

Percent Budget Execution at December 31, 2001: **19.01%**

### **Component Summary**

The MBRS includes more than sixty gazetted MPA's. Many of these have little or no on-site management, and even where management plans are in place, rarely are there monitoring programs to assess the effectiveness of conservation efforts.

In response to the needs identified above, the Marine Protected Areas (MPA) component is divided into the Planning, Management and Monitoring Sub-component, and the Institutional Strengthening Sub-component. The main objective of the component will be to improve the capacity of governmental and non-governmental organizations with responsibility for MPA management.

During the first year, activities to be supported under this component include the establishment of a baseline for a long-term monitoring program to assess MPA management effectiveness, including rapid evaluations of basic ecological and socioeconomic factors and conditions for each of the 15 priority MPA's of the MBRS, a training of trainers course in the design and development of management plans for MPA's. This training will target management-level staff of the nine MPAs that are located in the two-transboundary areas of the MBRS region: Mexico-Belize and Belize-Guatemala-Honduras.

Activities during PY1 will also focus at the establishment of two Trans-boundary Park Commissions and the development of their operational by-laws. The Commissions are expected to provide platforms for discussion on issues of importance in the

transboundary area, including the management of MPA's, fisheries, tourism and monitoring of biophysical environmental parameters and socioeconomic issues.

### **Achievements to date**

Key achievements for this component are summarized below:

1. A substantial amount of time was invested in the development of the Marine Protected Areas Component of the AWP for PY1.
2. Initiating the implementation of the AWP, priority was given to the development of the Terms of Reference for the three consultancies within this component: Establishment of a Baseline for the Monitoring of MPAs, the development of a Training Manual, and Training in MPA Planning and Management.
3. Relations were established with organizations that share an interest in the Mesoamerican Reef (WWF, IUCN, PROARCA, TNC) in an effort to establish synergies and to avoid duplication of efforts between the activities of the component and those being conducted by these organizations.
4. The Natural Resources Management Specialist participated in different congresses and workshops and in some cases had to raise the funds necessary to attend them. These events include participation in the Symposium on Coastal and Marine Resources within the V Congress of the Mesoamerican Society of Biology for Conservation in El Salvador, where posters and brochures of the Project were distributed; the National Congress on Protected Areas; the Launch of the National Inventory of Guatemalan Wetlands; the Regional Meeting of CCAD Projects (MBRS, PROARCA, MBC and PROGOLFO) in Belize; and the Regional Conference on Income Generation Strategies for the Conservation of MPAs organized by The International Ecotourism Society and Programme for Belize.
5. Other relevant coordination meetings were held with the Head of Marine Protected Areas of the Fisheries Department in the Ministry of Agriculture and Fisheries of Belize and with the Program Representative for the WWF Mesoamerican Reef Project in Belize, which allowed the interchange of documentation and the coordination of overlapping activities. Likewise, meetings were held with the Project Coordinator for TASTE, the non-governmental organization in charge of co-management of the

Sapodilla Cays Marine Reserve in Belize, one of the 15 MPAs selected to receive support under the Project.

6. More than 40 technical documents including books, relative to the MPA component were acquired and two articles on Marine Protected Areas were written for inclusion in the Project News Letter to be published shortly.

#### 4.2. Component II. Regional Environmental Information System and Synoptic Monitoring

##### 4.2.1. *Regional Environmental Information System (REIS)*

Component II A. Regional Environmental Information System

Budget Approved for Period July 2001 – June 2002: US\$327,840.00

Budget Executed at December 31, 2001: US\$90,485.00

Percent Budget Execution at December 31, 2001: **27.60%**

#### ***Sub-Component Summary***

The primary tasks of this component are to design and implement an environmental information system with nodes in Belize, Guatemala, Honduras and Mexico and to establish a virtual information center that will provide Project and reef-related information to the general public. Both of these information systems would be accessible via the World Wide Web (WWW).

Activities for the first year focus on establishing a presence for the project on the WWW, designing the necessary database(s) and network on which these systems would reside, selecting node agencies where system nodes would be established, and identifying what hardware and software are needed to implement the system. Installation of these hardware and software would begin as soon as possible after they are purchased.

## **Achievements to date**

The services of the Information Systems Specialist (ISS) were hired on May 15<sup>th</sup>, 2001. The first month and a half of her time were spent in becoming familiar with the project objectives and procedures, and establishing basic computing facilities and services for the Project Coordination Unit. Specific activities and accomplishments are described below:

1. Two separate sessions, one in May and the second in June, were held with GE Consulting, to review the structure of the Financial Management System (FMS) being developed for the Project and to familiarize the ISS with its functions and structure.
2. Meetings were held with technical personnel from the Belize Telecommunications Limited (BTL), the only legally established Internet Service Provider (ISP) in Belize, to determine what options were available to the Project for establishing a Web site.
3. Web hosting services, a domain name [www.mbrs.org.bz](http://www.mbrs.org.bz), and individual email accounts for each staff member were procured from BTL. The project website was launched in July, a significant milestone in the establishment of the Project in the public eye. This bilingual Website is updated frequently with new project information, an on-going task requiring at least one week of every month. As a result of this continuous effort, the Website currently contains information regarding Project structure, events, contact information, staff, and consultancies available.
4. Based on the computing needs identified by the Project Team, technical specifications for an office network were drafted. Since the Project was in a temporary office, however, it was decided that the cost of installing an office network should not be incurred until the Project moved to its permanent office.
5. A considerable amount of effort was invested in developing the REIS Sub-component of the AWP for PY1.
6. In September, a third meeting was held between the consultants working on the FMS. In this meeting, instructions were provided for installing a new database, backing up an existing database and sending it to GE Solutions via email, and restoring a database from backup. It was explained that the financial staff would need the ISS' assistance in executing these tasks in the future.

7. From October 27<sup>th</sup> to November 1<sup>st</sup>, the ISS attended an International Waters Web Developer's Workshop delivered by IW: LEARN, in Panama City, Panama. The specific objective of this workshop was "to train Web developers to utilize Web tools to realize their International Waters project initiatives." This objective catered very specifically to the current needs of the MBRS project to provide its constituents with a Web-based Virtual Information Center. The workshop was therefore very helpful in providing Web design concepts, exposure to available software tools, and practice in particular techniques which could be used in expanding the scope of the Project's website.
8. From November 12<sup>th</sup> to November 15<sup>th</sup>, the ISS and the Environmental Monitoring Specialist attended a workshop entitled III Taller Regional de Capacitación "Sensores remotos y Uso de datos de satelites" in Managua, Nicaragua. The workshop was given by the NASA-CCAD initiative under the MBC Project. The focus of this workshop was to train participants in the validation of satellite data using images of MBC focal areas. A practical methodology was presented, which uses a combination of field knowledge and existing spatial data for validating information products derived from satellite imagery. A second aim of this workshop was to introduce participants to new satellites and the images they collect, with particular emphasis on the use of MODIS data, which offers new opportunities for regional monitoring and analysis, fire detection, and other uses at the regional scale. Since the Project is considering the creation of a regional marine habitat map, the technical information and techniques covered were of great interest and utility to the MBRS participants.
9. Terms of reference were prepared for two consultancies that fall under this sub-component, namely The Design and Implementation of a Regional Data Communications Network and The Design and Implementation of a Regional Environmental Information System. These were submitted to the World Bank for review.

#### 4.2.2. Synoptic Monitoring Program

Component II B: Synoptic Monitoring Program

Budget for Period July 2001 – June 2002: \$131,100.00

Budget Executed at December 31, 2001: \$8,108.00

Percent Budget Execution at December 31, 2001: **6.18%**

### **Sub-Component Summary**

The main objective of the Synoptic MBRS Monitoring Program (SMP) is to establish a regional and issue-specific program that will provide a synoptic view of the health of the MBRS by generating reliable information on three core areas: a) the ecology of coral reef and associated ecosystems; b) the pattern of currents in the MBRS region at the meso-scale level and; c) point and non-point sources of pollution in the region. The determination of a reliable baseline for data management and decision support is a pivotal activity to be carried out in PY1. This baseline will serve as an aid in the conservation and sustainable use of the MBRS. The information gathered in the SMP will be publicly accessible through the MBRS web site.

To obtain information on the main core areas of interest to the SMP, three independent consultancies will be undertaken, these are: a) Coral Reef Ecology, b) Pollution and; c) Physical Oceanography/Modeling. Such consultancies will need to stand to international scrutiny and invitations for tender have been made to the international community through the MBRS web site.

### **Achievements to date**

This period was used to become familiar with the project by reviewing technical documents and background material, and by becoming acquainted with Project staff in Belize. Activities of note are described below:

1. Attendance to the 2<sup>nd</sup> Symposium of the Marine Conservation Biology Institute in San Francisco to represent the MBRS Project. This symposium was well attended and multiple relevant contacts were made on behalf of the Project.
2. Represented MBRS as an observer at the TRIGOH Sustainable Fisheries Meeting held at the Biltmore Hotel, Belize. Representatives from Belize, Guatemala and Honduras were present at this meeting, which was hosted by TNC. A proposal to look at alternative fishing methods for lobster and conch was discussed but Belize representatives rejected the proposal and it was agreed that more information was needed for the submission of an improved proposal.

3. Represented the MBRS Project at the Nassau Grouper Meeting at the Radisson Hotel, Belize. The meeting was hosted by the Belize Fisheries Department and was attended by a substantial number of fishermen, scientists and other interested parties. One of the main results from this event was the proposal for a Nassau Grouper Committee to look at the vulnerability of the species and its associated fauna during their spawning aggregations.
4. A substantial amount of time was invested in preparing the SMP Sub-component of the AWP for PY1, including a great deal of time being devoted to the preparation of English and Spanish draft sections.
5. At the TWG meeting, each member of the PCU presented its component. Crucial questions were answered for the SMP: “What, Where, How, Frequency and Who” would be carrying out the SMP in each MBRS country. Members of the Monitoring TWG proved to be extremely helpful and enthusiastic about the intended monitoring program and the resulting tables clearly showed this.
6. A key activity conducted was the preparation of the Terms of Reference for the SMP core consultancies (coral reef ecology, pollution and oceanography/modeling). Drafts were prepared and circulated among the PCU for their comments and suggestions.
7. There was continuous liaison with members of the various National Barrier Reef Committees and members of the TWG, particularly those from Belize and Mexico. Most of these contacts have been made on an opportunistic basis.
8. There were several trips to attend international workshops and meetings, where numerous key contacts were made on behalf of the Project. Activities of note during this period include a high level of collaboration with colleagues from the Mesoamerican Biological Corridor Project and the establishment of partnerships for collaboration between MBRS and several like-minded international organizations. Some of the key events are highlighted below.
  1. The EMS attended a workshop at the National Center for Caribbean Coral Reef Research (NCORE), where the priorities for research in the Caribbean were the focus of a three-day meeting, which was attended by nationals of 11 countries, representing universities, NGOs, funding agencies and research establishments. The EMS participated in the third Working Group (Coral Reef Health and Connectivity);



2. The EMS also attended a MBC Regional Monitoring Workshop in Mexico City from 21-23 November 2001. The workshop was attended by about 50 representatives from 8 countries (Central America and southern Mexico). During the 3-day meeting, there were numerous general presentations after which, the participants were split into working groups to discuss the “Why, What, Where, How and Who” of a Regional Monitoring Program. As in the previous meeting, the vast majority of efforts had been placed on forested areas, leaving the aquatic resources, both freshwater and marine, mostly out of the program. There were, however, a few contributions that had included an aquatic ecosystem or species in their monitoring efforts. Two initiatives are worth of special mention, the work by INBIO in Costa Rica and CONABIO in Mexico. Both of these organizations have invested heavily on the design and development of complete databases on biodiversity, including the development of their own software to deal with their particular needs. CONABIO’s database already includes massive sets of data and is one of the few that have included freshwater and marine fish. Relevant contacts were made with a view to benefiting from their vast experience.
3. The EMS attended a meeting in Cancun with the Directors of the Marine Protected Areas in the Quintana Roo area. The meeting was convened by the EMS and was also attended by the MBRS Sociologist. There were over 10 directors and key MPA staff. Discussions centered on the following points:
  1. Discuss points of mutual interest for the MPAs and the MBRS Project in the Region.
  2. Discuss projects that are being carried out or that are planned for the MBRS Region.
  3. Discuss binational commissions such as the Mexico-Belize Alliance BEMAMCCOR.

An important topic discussed was an initiative between the Sian Ka’an Biosphere Reserve and UNEP (Jamaica)-ICRI. The BR Sian Ka’an has recently been granted funds for the development of a monitoring program. In addition, the EMS highlighted that the Fondo Mexicano para la Conservación de la Naturaleza (FMCN) will be funding a workshop in May 2002 in Isla Contoy, Mexico, to discuss a monitoring

program for the Mexican Caribbean. The EMS has argued the case for a single monitoring program in the region to avoid duplication of efforts and waste of funds and has convinced these groups of its importance in order to provide a stronger baseline and basis for comparison of results. Consequently, it has been agreed that the results of the workshop in Isla Contoy will become the Mexican contribution to the MBRS Meeting of Experts planned also around May 2002. At this meeting, the Mexican proposal will be discussed and it is expected that it will form the basis for a regional monitoring program for the MBRS Region. UNEP-Jamaica has agreed to work closely with the MBRS-SMP to ensure that there is no duplication of effort and funds. Funding for the Sian Ka'an project will be placed on standby until the results of both, the Mexican workshop and the MBRS Meeting of Experts, become available.

4. Establishing formal partnerships with like-minded organizations has become an important task to pursue within the SMP. Approaches have been made to several organizations and funding agencies and; positive responses have been made by NCORE (USA), FMCN (Mex), UNEP-Jamaica and the new PROARCA/APM Project funded by USAID.

#### 4.3. Component III. Promotion of Sustainable Use of the MBRS

Component III .Sustainable Use of the MBRS (Fisheries and Tourism)

Budget Approved for Period July 2001 – June 2002: US\$176,970.00

Budget Executed at December 31, 2001: US\$35,361.00

Percent Budget Execution at December 31, 2001: **19.98%**

#### **Component Summary**

The Promotion of Sustainable Use of the MBRS component include Promotion of Sustainable Fisheries Management sub-component, and also Facilitate Sustainable Coastal Marine Tourism sub-component which was established as a response of needs identified in the analysis conducted during project preparation.

Fishing is one of the most important economic activities in the MBRS region, in addition to their economic role; many fish species play key roles in the health of the reef ecosystem. Was identified that several fish species with commercial value have periodic aggregation of spawning populations in geographically specific sites and their assessment and monitoring needed to regulate over fishing in these sites. During the first year these component support the preliminary evaluation of the status of five fish spawning aggregation sites will be monitored in the following three years.

Tourism represents one of the most important sources of income for the MBRS region. A good percentage of this tourism focuses on natural attractions, among them the various reef formations of the Caribbean Basin. In the absence of adequate environmental management guidelines or regulatory regimes tourism is putting at risk the ecological values of the reef system.

Consequently, during the first year of the Project the emphasis of this sub-component will be on the design and implementation of a Regional Forum on Tourism and the formulation and adoption of an Environmental Certification System for best practices in coastal and marine tourism operations. Training will also be provided to support regional personnel in the implementation of the regional forum, their framework and operational guidelines to enable them to continue this forum for the next four years.

### **Achievements to date**

Achievements are consistent with the objectives of the component and are complementary to those described for the MPA component. These are summarized below.

1. A substantial amount of time was invested in the development of the Sustainable Use Component of the AWP for PY1.
2. Initiating the implementation of the AWP, priority was given to the development of the Terms of Reference for the three consultancies within this component: Critical analysis of Spawning Aggregation Sites in the MBRS Region and Recommendations for its Monitoring and Management, the Establishment of a Regional Forum on Tourism

Policies, and the Establishment of a Regional Tourism Certification Program in the MBRS Region.

3. Follow-up on recommendations from the Second Tri-national Meeting on Sustainable Fisheries Management and of the Workshop on Sustainable Management of the Nassau Grouper. Information acquired from these events provided an important background for the development of TORs mentioned above.

4. Relations were established with organizations that share an interest in the Mesoamerican Reef (WWF, IUCN, PROARCA, TNC) in an effort to establish synergies and to avoid duplication of efforts between the activities of the component and those being conducted by these organizations.

5. The Natural Resources Management Specialist participated in numerous regional meetings of importance to the component. These have been highlighted in Section 4.1.

6. Other relevant coordination meetings were held with the Head of the Fisheries Department in the Ministry of Agriculture and Fisheries of Belize and with the Program Representative for the WWF Mesoamerican Reef Project in Belize, which allowed for the interchange of documentation and the coordination of overlapping activities. Likewise, meetings with the Project Coordinator for TASTE, the non-governmental organization in charge of managing sustainable tourism in the Gulf of Honduras for the tri-national organization TRIGOH.

It should be noted that more than 38 technical documents, including books, relative to Fisheries and Tourism were acquired and two articles on Sustainable Fisheries and Environmentally Sustainable Tourism were written for inclusion in the Project Newsletter to be published shortly.

#### 4.4. Component IV. Environmental Education and Awareness

##### Component IV . Public Awareness and Environmental Education

Budget for Period July 2001-June 2002: US\$104,750.00

Budget Executed at December 31, 2001: US\$27,847.26

Percent Budget Execution at December 31, 2002: **26.58%**

##### ***Component Summary***

The most important objective of the Environmental Education and Awareness Component is to create a constituency for conservation of the MBRS in the region. This will be done by increasing awareness of the value of the MBRS and fostering an understanding among the general public of the impacts of development on this ecosystem. One of our most relevant goals will be to build the necessary public support to catalyze change in the regional policies required to manage the MBRS sustainably. Through information networking and discussion fora, we will seek to introduce environmental and socially sustainable criteria into decision-making.

Activities under this component include the establishment of an MBRS database and information clearinghouse and the production and dissemination of education materials, and regional workshops and conferences for professionals in the industrial and tourism sectors that directly affect MBRS resources. It will also provide training for community leaders who exert strong influence on MBRS stakeholders.

This Component contains two Sub-component: (A) Development of an Environmental Awareness Campaign about the importance of the MBRS as a unique ecosystem and the need to promote its conservation and sustainable use will be pursued. and (B) Formal and Informal Education. In support of the campaign, the project will be reproducing and distributing to target audiences some specific publications such as promotional brochures, a Newsletter, and a publication on the MBRS Cultures. All materials will be produced in English, Spanish and, in some cases, Garifuna.

## **Achievements to date**

In order to define the achievements in this component, an analysis has been made of the positive fulfillment of the basic activities programmed versus products obtained for this reporting period. Outputs include the incorporation of socio-cultural criteria in each of the Project components. Achievements are summarized below:

1. The development of the Work Plan of the Component and the definition of the mechanisms for its implementation were obtained through the active participation of the Technical Working Group Meeting held in Honduras.
2. During that same meeting and by later communications, the group was able to provide input into the definition of the Terms of Reference for the International Consultancy to prepare a Regional Strategy for the Public Awareness Campaign.
3. Through these periodic meetings and communications with the Technical Working Group and other key players, the institutional interest of NGOs and civil society in the MBRS Project was maintained and synergies in activities were encountered. Specific examples include activities by TRIGOH, SEMARNAT CCAD, the MBCP and others.
4. Through publications such as posters and brochures containing general Project information, the Project was able to increase public knowledge about the Mesoamerican Barrier Reef System and its regional dependants. More than 1,700 brochures and 350 posters have been distributed.
5. In coordination with the MBCP-Belize, socio-environmental issues were incorporated into the MBCP National Operational and synergies with AWP of the MBRS were consolidated.

## 4.5. Component V. Project Management

### 4.5.1. Disbursements

The Project Preparation budget received from the GEF was exhausted at the end of February 2001. It was therefore crucial that a funding source be identified to provide the resources necessary for the establishment of the PCU and for the implementation of activities necessary for meeting 'effectiveness' conditions. After a series of negotiations between the World Bank, CCAD, the Project and the United Nations Development Program (UNDP), it was agreed that UNDP would advance essential funds needed to meet Project Effectiveness, and would be reimbursed once Project disbursements initiated.

For the period March 1, 2001 to October 25, 2001 the UNDP had advanced in excess of US\$424,000 to the Project. This amount was reimbursed to UNDP on November 30, 2001. However, the first advance from the World Bank to UNDP to cover Project expenses after October 25 was not received until December 20, 2001. This required additional financial support from UNDP to the PCU (US\$91,550) in order to cover expenses for the period October 26 to December 19, 2001. The PCU is in the process of reimbursing this additional amount to UNDP.

A total of US\$1,004,520 has been disbursed to UNDP and a total of US\$53,463 has been disbursed to the PCU Special Account. These disbursements are to cover expenses for the period March 1, 2001 to March 31, 2002. As per the approved AWP and budget for PY1, an additional US\$440,165 will be disbursed for the last quarter of PY1, corresponding to the period April 1 to June 30, 2002. In theory, therefore, a total of US\$1,497,685 would have been disbursed at June 30, 2002.

Disbursements made under Project Coordination represent the largest investments for this reporting period, and is heavily influenced by expenses incurred during the final

stages of Project Preparation in a desperate attempt to meet Project effectiveness conditions. Key expenses represented here include the Technical Launch, the Official Launch, Staff Selection Process, extensive traveling to the four countries, equipment for the PCU, and the First Ordinary Session of the Regional Steering Committee. Investments to date under the technical components have been mainly for the funding of the TWGs and the procurement of some equipment.

#### *4.5.2. Procurement*

Procurement activities for this reporting period were focused mainly at the contracting of Project Staff and the establishment of the PCU.

The procurement of goods dominates expenses to date and is a reflection of investments made for the establishment of the PCU, including the purchase of all furniture, computing equipment, Project vehicles and the installation of essential services. Minimal works were conducted for preparing the physical space of the PCU to meet Project-specific needs. Procurement of consultant services to date refers specifically to the contract of Project Staff. A total of ten persons have been contracted to provide support to the PCU, including the Project Director, the Accountant/Finance Director, the Procurement Specialist, the Administrative Assistant, the Driver/Office Assistant, the Janitor, the Environmental Monitoring Specialist, the Natural Resources Management Specialist, the Information Systems Specialist, and the Sociologist.

The procurement methodology mostly used to date has been ‘Shopping’, with about 90% being Local Shopping and 10% International Shopping. After the Project was declared effective on November 30, 2001, activities towards the procurement of National and International Consultants under the technical components started immediately.

#### *4.5.3. Regional Coordination*

Regional Coordination has been a key factor for the reporting period in question. Efforts were concentrated on the completion of Project Preparation and the declaration of Project Effectiveness. A substantial amount of time was spent working with consultants hired by the World Bank in an effort to establish an FMS that met World Bank’s LACI (Loan Administrative Change Initiative) requirements. After almost a year on this activity,



it was decided that the LACI compliant FMS would not be ready in time. Having exhausted financial support from UNDP, and in an effort to meet the financial management requirements of the Project in order to speed up the disbursement of Project funds, the PCU embarked on the installation of an interim financial management system, followed by the preparation of sample financial and procurement reports for certification by the World Bank. Certification was received and the PCU then diverted its efforts to other critical issues required for Project effectiveness.

The acquisition of legal documents from the four MBRS countries was probably the one activity in Project Preparation that exhausted everyone involved in the implementation of the MBRS Project. The legal establishment of the NBRCs in the countries required intensive coordination and persistence at the level of each individual country. This situation was compounded by the confusion as to who should sign the GEF Trust Fund Agreement on behalf of each country, resulting from inappropriate guidance by the Legal Department of the World Bank. Following the signing of the GEF Trust Fund Agreement, the said agreement had to be ratified, thus requiring that each country issue a Legal Opinion, indicating that the agreement is legally binding. Again, regional coordination was key in obtaining the ratifications. In the middle of all this, and under continuous threats from UNDP of not providing additional funds to the PCU, the Regional Coordinator had to invest considerable time coordinating with CCAD, UNDP and the World Bank, seeking ways to secure funding for the PCU until Project disbursements could be made. These circumstances resulted in major financial investments, both official and personal, in order to keep regional coordination at a level that could secure compliance with Project effectiveness conditions.

The development of the AWP and budget for PY1, including the inputs of the TWGs and approval by the RSC required much coordination and determination. Assigning specific activities, costs and implementation periods consistent with identified objectives of the Project presented a major challenge for the Project Team. This was especially so in cases where TWG members are use to Projects that are implemented strictly within a national context.

In addition to the activities described above, the day-to-day coordination requirements of the Project had to be fulfilled, both at the level of the PCU and at the level of the

countries and partner institutions in the region. Being a Project executed by CCAD on behalf of the four countries, close coordination with the National Coordinators in each country, the Director General and other CCAD staff is a daily routine in the implementation of the AWP. The restructuring of CCAD into three thematic areas also presents major challenges for the PCU and the Regional Coordinator of the MBRS Project. In addition to five other CCAD projects, the MBRS is strategically placed in the 'Forest and Biodiversity' thematic area. Projects under this thematic area must invest considerable time and financial resources in ensuring that there is no duplication of activities between them and in identifying opportunities for joint investments. The MBRS Regional Coordinator is charged with the additional task of having to coordinate the Forest and Biodiversity thematic area on behalf of CCAD. This assignment has obvious time and cost implications, but also potential benefits to the MBRS Project and the region.

The broad spectrum of issues that characterizes the MBRS region is much more than what the MBRS Project can possibly address. Several other institutions are either working or plan to work in the region in addressing other issues that are complementary to those of the MBRS Project. In an effort to maximize the outputs from investments made in the region, the Project has embarked on an assertive campaign to establish alliances with a number of organizations, with key inputs being provided by the Environmental Monitoring Specialist. Communications with the National Center for National Coral Reef Research (NCORE) have commenced and a Draft Memorandum of Understanding (M.O.U) will be developed shortly. Similarly, communications have initiated with the Australian Institute of Marine Science (AIMS), the World Wildlife Fund for Nature Central America (WWF-CA), the University of Mississippi, and the Regional Coordinating Unit of the United Nations Environment Program (UNEP) in Kingston, Jamaica. It is intended that M.O.U's will be developed with all of the organizations cited above.

Project-to-Project collaboration also plays a key role in the regional coordination of the MBRS Project. Joint activities are being planned between the MBRS and the Mesoamerican Biological Corridors Project (MBCP), the PROARCA/APM Project funded by USAID and the WWF MBRS Eco-regional Project. The specifics of this collaboration

will be defined during the next quarter. Through its different components, the Project has established communications with numerous NGOs and institutions in the four countries and in the broader Mesoamerican region. Project staff has also participated in numerous events in the region, in the spirit of maximizing information sharing and establishing working relationships.

## **5.0. Implementation Constraints**

Comments in this section are focused primarily at issues resulting from the Project being declared effective until November 30, 2001. The first obvious consequence of this late start is the delay in the implementation of the AWP approved for the period July 2001 – June 2002. The use of available funds was limited to essential services only, such as fees for staff, communications costs, stationery, and the procurement of indispensable goods needed for the establishment of the PCU. This resulted in the implementation of little or no technical activities. This is quite evident in Sections 4.1-4.4 above, where most efforts were focused at the preparation of the AWP, developing Terms of Reference (TORs) for eleven different consultancies programmed for PY1, and the launching of the Project Website. This late start will realistically represent a six months delay in the implementation of activities for PY1 and in the implementation of the overall Project. In other words, Project implementation really started on December 1, 2001.

There seem to be a need for more emphasis on the fact that the MBRS Project is concentrated mainly on regional and transboundary activities. It was evident during the TWG Meetings held in August 2001 that some members of the TWG still cannot appreciate the difference between national and regional activities. This problem is partly due to the fact that some members were totally new and had not reviewed the background information on the Project. In addition, and to the surprise of the Project Team, some members decided during the sessions that they had no interest in being a part of the TWG for which they had been assigned by their countries, but had interest in being in another TWG.

The process for getting the MBRS Project approved and declared effective took so long, that several other organizations have embarked on programs that include activities that had been identified in the MBRS PAD. Despite all the efforts cited above, coordination and the avoidance of duplication seem to be an imminent problem. This reality will

require a major assessment of Project activities, with subsequent adjustments that may even include the elimination of some activities.

## **6.0. Activities for the Remainder of PY1**

Now that Project implementation is finally underway, the PCU can now fully focus on activities identified in the AWP for PY1. Most efforts will be concentrated on completing the procurement processes for the implementation of eleven different technical activities, in addition to other complementary tasks. Activities specific to the MPA component will include the contracting and supervision of studies to establish the monitoring baseline for MPAs, the development of a Training Manual in MPA Planning and Management, and the training course in MPA Planning. The two Transboundary Park Commissions will also be established and an MPA Expert Meeting will be held prior to June 30, 2002 to assist in the methodology for establishing the MPA baseline. In the process for establishing the Transboundary Park Commissions, an assessment will be made to determine to what extent TRIGOH and BEMAMCCOR may be used as surrogates for the Commissions in question.

Actions in the REIS Sub-component will focus on two primary consultancies: The Design and Implementation of a Regional Data Communications Network and The Design and Implementation of a Regional Environmental Information System. It is expected that TORs for these consultancies will be published in early January and a consultant could be contracted by March 31, 2002. The Project will work along with the National Barrier Reef Committees and with this sub-component's TWG to draft a TOR for node agencies, to obtain a list of candidates from each country, to identify site selection criteria and method, and potentially to visit candidate sites. Efforts will be made to review existing environmental information systems in the region and in thematically related organizations to gather ideas regarding the functionality that should be required from the REIS, to ensure that the REIS does not duplicate efforts already underway and to discover where useful linkages may be made between the REIS and other databases.

A conceptual design of the Project's Virtual Information Center will be produced under the REIS Sub-component, building on the ideas received during the TWG in August. This conceptual design will address the issues of regional ownership and shared

responsibility, themes and content, user needs, personality/character of the site, design principles to be adhered to in its implementation (e.g. usability, accessibility, cultural sensitivity, etc.) and modularity of implementation and operation.

A significant limitation to the work of this component is the fact that the Project will be proceeding with the design of the monitoring programs simultaneously with the design of the database and network that will manage the data gathered by those programs. Ideally, the former is fully determined before embarking on the latter. The fear is that an accurate and complete design of the IT systems may not be possible without comprehensive information on the nature and form of the data to be managed. The final result may be that the systems procured do not satisfy the Projects' requirements.

Recognizing these potential limitations, the Project will make every conscious effort to ensure that these limitations do not jeopardize Project success. To ensure that the best possible design is produced despite the limitations discussed here, the Project will make full use of the current state of knowledge already available to the Project and the consultants will be required to provide flexible and easily expandable systems with potential for dynamic growth.

For the remainder of PY1 activities under the SMP will revolve around the execution of the consultancies, both international and national; and the elaboration of formal partnerships with relevant organizations. An important activity will be the coordination of monitoring activities with the national and international consultants, ensuring a smooth coordination between national and regional teams, and securing the quality of the products resulting from the consultancies. A key activity in this process will be the Experts Meeting that will be held before June 30, 2002, with the primary purpose of providing inputs into the quality of the Synoptic Monitoring Manual to be produced as a result of the consultancies in question.

Strong efforts will be made to produce a digital marine habitat map for the MBRS Region. It is hoped that new partnerships to be established may play a positive role in acquiring these maps. Ideally, the best possible satellite imagery should be obtained as early in the project as possible. IKONOS images would be ideal but their cost could prove prohibitive. Similarly, substantial efforts will be invested in establishing a proactive

liaison with members of the Monitoring Technical Working Group and the National Barrier Reef Committees in the four participating countries in order to maximize the understanding of the SMP, its scope, needs and benefits.

Activities under the Sustainable Use Component will proceed as defined in the AWP for PY1, with the contracting and supervision of the assessment and map production for spawning aggregations, focusing on five important fish species. Under the Tourism Sub-component, the Regional Marine Tourism Forum will be conducted and a Regional Environmental Certification Program for Tourism will be developed.

Activities characterizing the Public Education and Awareness Component for the remainder of PY1 will be the production of the Project Logo and the development of the Environmental Campaign Strategy. Implementation of the said strategy will also initiate before June 30, 2002.

Regional Coordination will be challenging for the remainder of PY1 with the organization of two Regional Steering Committee meetings, three staggered Expert Meetings, and the TWG Meetings to develop the AWP for PY2, corresponding to the period July 2002 – June 2003. In addition, the PCU must prepare for the First Project Supervision Mission. Each of the above events are key milestones in Project implementation and require substantial inputs from the Regional Coordinator and the rest of the team. The first Annual Project Audit must also be conducted shortly and all necessary financial, procurement and Project monitoring reports must be ready prior to the initiation of the audit.

Particular attention will be placed on the fact that the Project started seven months late, with the intention of defining with the countries and CCAD, what adjustments may be necessary in the Project implementation schedule and consequently, what implications will these represent in terms of delivery of planned outputs. The consolidation of alliances with other Projects and partner institutions with a view to maximize synergies and conduct joint investments will also receive careful attention. This will be facilitated by the activation of the Project's Consultative Group (CG).